

AMENDED IN ASSEMBLY APRIL 1, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 749**

**Introduced by Assembly Member Matthews**

February 19, 2003

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~~An act to add Section 14105.49 to the Welfare and Institutions Code, relating to Medi-Cal. An act to repeal Chapter 4.6 (commencing with Section 10830) of Part 2 of Division 9 of the Welfare and Institutions Code, relating to public social services.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 749, as amended, Matthews. ~~Medi-Cal: medical supplies~~  
*CalWORKs: food stamps: statewide fingerprint imaging system.*

*Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program and other social services programs, under which each county provides cash assistance and other benefits to qualified low-income families and individuals.*

*Existing law provides for the federal Food Stamp Program, under which each county distributes food stamps provided by the federal government to eligible households.*

*Existing law requires the State Department of Social Services and the California Health and Human Services Agency Data Center to design, implement, and maintain a statewide fingerprint imaging system for use in connection with the determination of eligibility for benefits under the Food Stamp Program and, with certain exceptions, the CalWORKs program.*

*This bill would delete this requirement.*

~~Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to which medical benefits are provided to public assistance recipients and certain other low income persons.~~

~~Under existing law, hearing aids, durable medical equipment, and medical supplies are covered benefits under the Medi-Cal program, subject to utilization controls.~~

~~Under existing law, the department may enter into exclusive or nonexclusive contracts on a bid or negotiated basis with manufacturers, distributors, dispensers, or suppliers of appliances, durable medical equipment, medical supplies, and other product-type health care services for the purpose of obtaining the most favorable prices to the state and to assure adequate quality of the product or service, with certain exceptions.~~

~~Existing law requires the department to establish a list of maximum allowable product costs (MAPC) for medical supplies.~~

~~This bill would require that the maximum allowable cost of any medical supply that is not contained on the MAPC list shall not exceed the lower of 150% of the provider's cost or the provider's usual and customary charge for the medical supply item to the general public.~~

~~This bill would require the department to ensure that and to require that these medical supplies shall be the least costly alternative to meet the needs of a patient and to require any provider of medical supplies that have not been listed to document why the medical supplies cannot be subject to the determination of a maximum allowable product cost.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.~~

*The people of the State of California do enact as follows:*

- 1     ~~SECTION 1. Section 14105.49 is added to the Welfare and~~
- 2     ~~SECTION 1. Chapter 4.6 (commencing with Section 10830)~~
- 3     ~~of Part 2 of Division 9 of the Welfare and Institutions Code is~~
- 4     ~~repealed.~~
- 5     ~~Institutions Code, to read:~~
- 6     ~~14105.49. (a) The maximum allowable cost of any medical~~
- 7     ~~supply that is not listed pursuant to Section 14105.47 shall not~~
- 8     ~~exceed the lower of the following:~~
- 9     ~~(1) One hundred fifty percent of the provider's cost.~~

1     ~~(2) The provider's usual and customary charge for the medical~~  
2     ~~supply item to the general public.~~  
3     ~~(b) The department shall ensure that medical supplies subject~~  
4     ~~to this section shall be the least costly alternative to meet the needs~~  
5     ~~of a patient, and shall require any provider of medical supplies~~  
6     ~~subject to this section to document why the medical supplies~~  
7     ~~cannot be subject to the procedures required by Section 14105.47.~~  
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